

“SHOW ME THE MONEY” RARELAUNCH® WORKSHOP START-UP COSTS

There are start-up costs involved with your nonprofit organization, and they will vary based on your location and the specific forms you select to file. NORD has provided estimates for these costs based on 2021 data.

ESTIMATED START-UP COSTS:

- **Articles of Incorporation:** You need to be an incorporated business to file for charity tax-exempt status. State incorporation costs vary between \$30 and \$300.
- **Tax-Exempt Status:** Filing the 1023 or 1023-EZ form to receive 501(c)(3) tax-exempt status with the IRS will cost \$600 and \$275 respectively. The form you select will be dependent upon how much you anticipate fundraising in your first three years of operation.
- **Legal Support:** if your founding team has no legal experience, you may be interested in hiring a lawyer to support the creation and filing of your paperwork. Search for pro-bono and low-bono legal support in your state to receive a reduced fee for this support. Minimum costs will be about \$500.

Estimated total cost: between \$305 and \$1,400.

SOURCES:

How Much Does It Cost to Incorporate Your Business?” (NOLO)

bit.ly/Cost-Incorporate-Business

Form 1023 and 1023-EZ: Amount of User Fee (IRS)

bit.ly/Form-1023